FILED VIA EFS ON

AUGUST 31, 2009

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of: Lee et al.

Application No. 10/623,195

Filed: July 18, 2003

Confirmation No. 2663

For: INTELLIGENT DIFFERENTIAL

QUANTIZATION OF VIDEO CODING

Examiner: Allen C. Wong

Art Unit: 2621

Attorney Reference No. 3382-66125-01

FILED VIA EFS

COMMISSIONER FOR PATENTS

COMMENTS ON STATEMENT OF REASONS FOR ALLOWANCE

Responsive to the Examiner's statement of reasons for allowance in the Notice of Allowance mailed July 27, 2009, the Applicant comments as follows.

Applicants agree with the Examiner that the claims in their present form are allowable.

Applicants note that each of the allowed claims of the application sets forth an independently patentable invention. The language in the Statement relates to the independent claims, and the other claims are allowable for reasons in addition to those set forth in the Statement.

To the extent the Statement refers to language not appearing in a claim, the claim is not limited thereby.

Respectfully submitted,

KLARQUIST SPARKMAN, LLP

One World Trade Center, Suite 1600 121 S.W. Salmon Street

Portland, Oregon 97204

Telephone: (503) 595-5300 Facsimile: (503) 595-5301

By

Stephen A. Wight Registration No. 37,759